

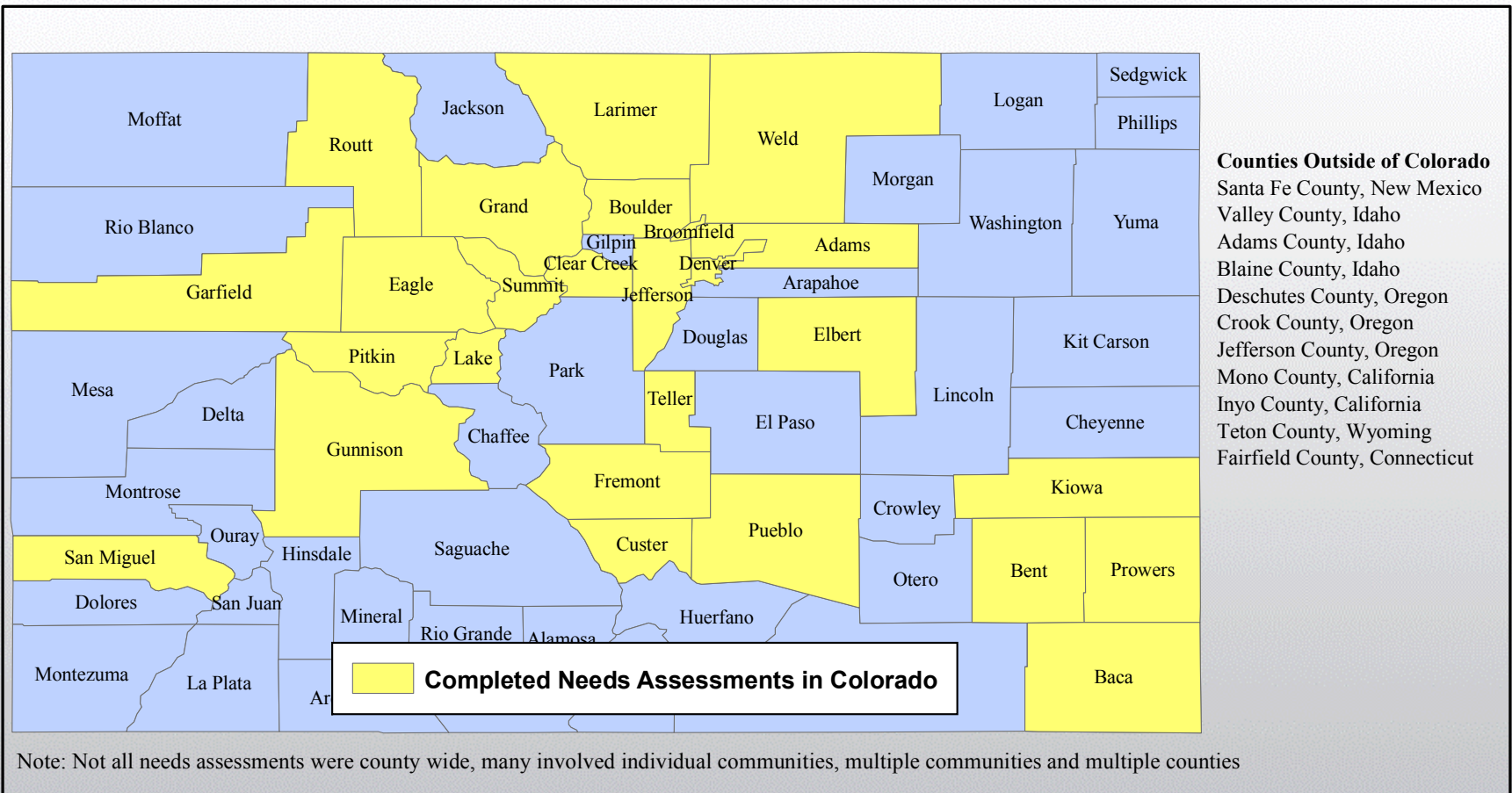
# Summit County 2007 Housing Demand Study

October 22, 2008

*Presented by:  
Sarah McClain  
RRC Associates, Inc.*

# Firm Information: RRC Associates, Inc., Rees Consulting, Inc.

## Counties in Which Members of Our Team Have Completed Housing Needs Assessments





# Discussion Overview

1. Definitions
2. Housing Trends Update
3. Housing Demand
4. Homeownership Preferences
5. Example Affordable Housing Developments
6. Questions or Comments?



# Housing Demand vs. Housing Needs

- HOUSING NEEDS ASSESSMENT - To identify current and future housing needs of residents and local workers and establish the gaps in the housing market – where local needs for housing exceed market supply.
- HOUSING DEMAND STUDY – Housing demand is a function not only of needs but also desires. Households with desires for housing other than that in which they now live compete with residents who have measurable needs and as such should be taken into consideration when estimating the total demand for housing.



# Definitions

- AFFORDABLE HOUSING – when the amount spent on rent or mortgage payment (excluding utilities) does not exceed 30% of the combined gross income of all household members.
- COST BURDENED – when a household or individual spends more than 30% of gross income on rent or mortgage payments.
- AREA MEDIAN INCOME (AMI) LIMITS –Area Median Income limits vary based on household size and permit comparison of income distributions of households between communities.



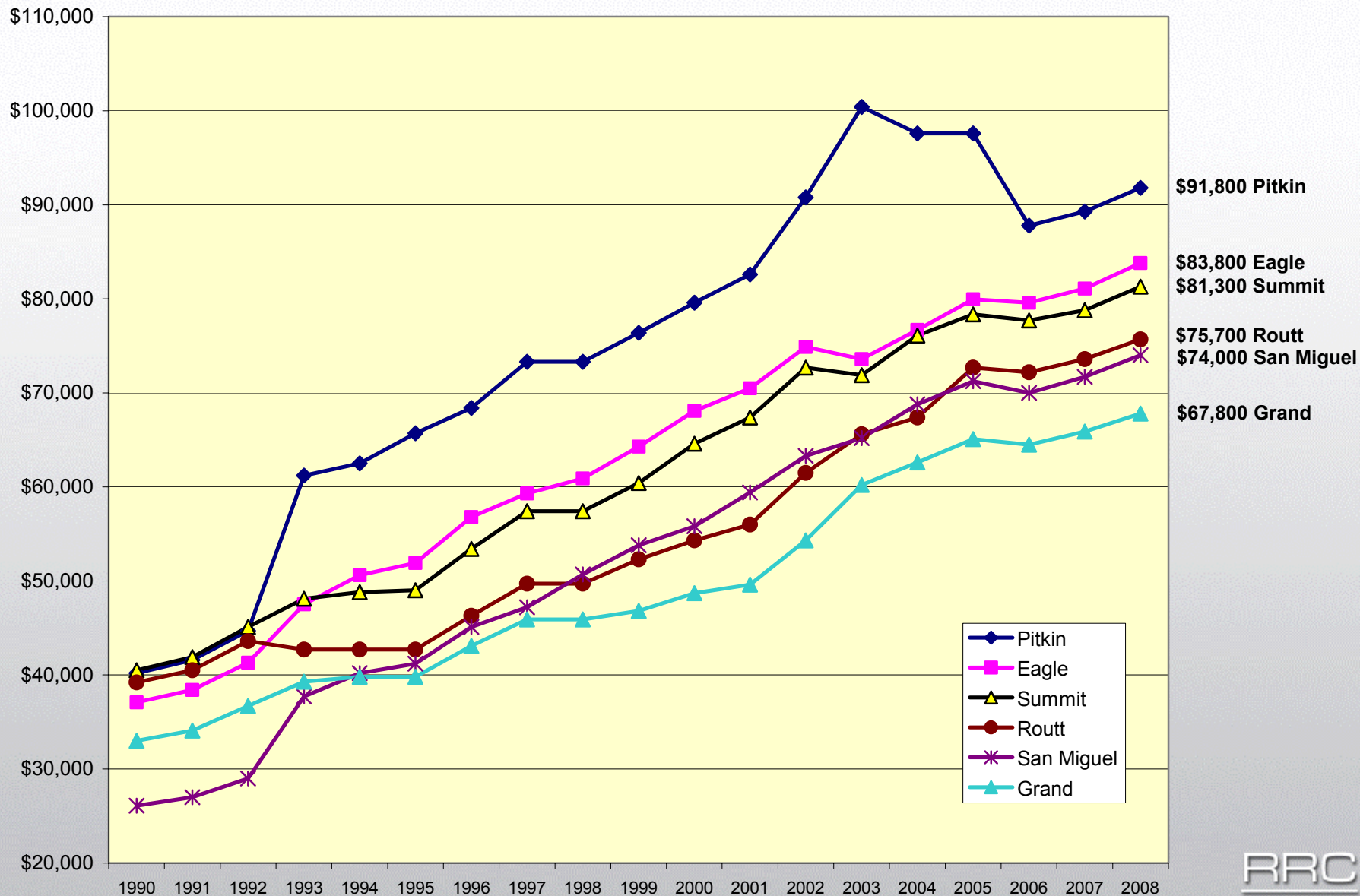
# Summit County Area Median Income (AMI) Limits, 2007

Area Median Income Limits By Household Size; Summit County 2007

	1-person	2-persons	3-persons	4-persons	5-persons
30% AMI	\$16,550	\$18,900	\$21,300	\$23,650	\$25,550
50% AMI	\$27,600	\$31,500	\$35,450	\$39,400	\$42,550
60% AMI	\$33,120	\$37,800	\$42,540	\$47,280	\$51,060
80% AMI	\$41,700	\$47,700	\$53,650	\$59,600	\$64,350
100% AMI	\$55,200	\$63,000	\$70,900	\$78,800	\$85,100
120% AMI	\$66,240	\$75,600	\$85,080	\$94,560	\$102,120
150% AMI	\$82,800	\$94,500	\$106,350	\$118,200	\$127,650
180% AMI	\$99,360	\$113,400	\$127,620	\$141,840	\$153,180

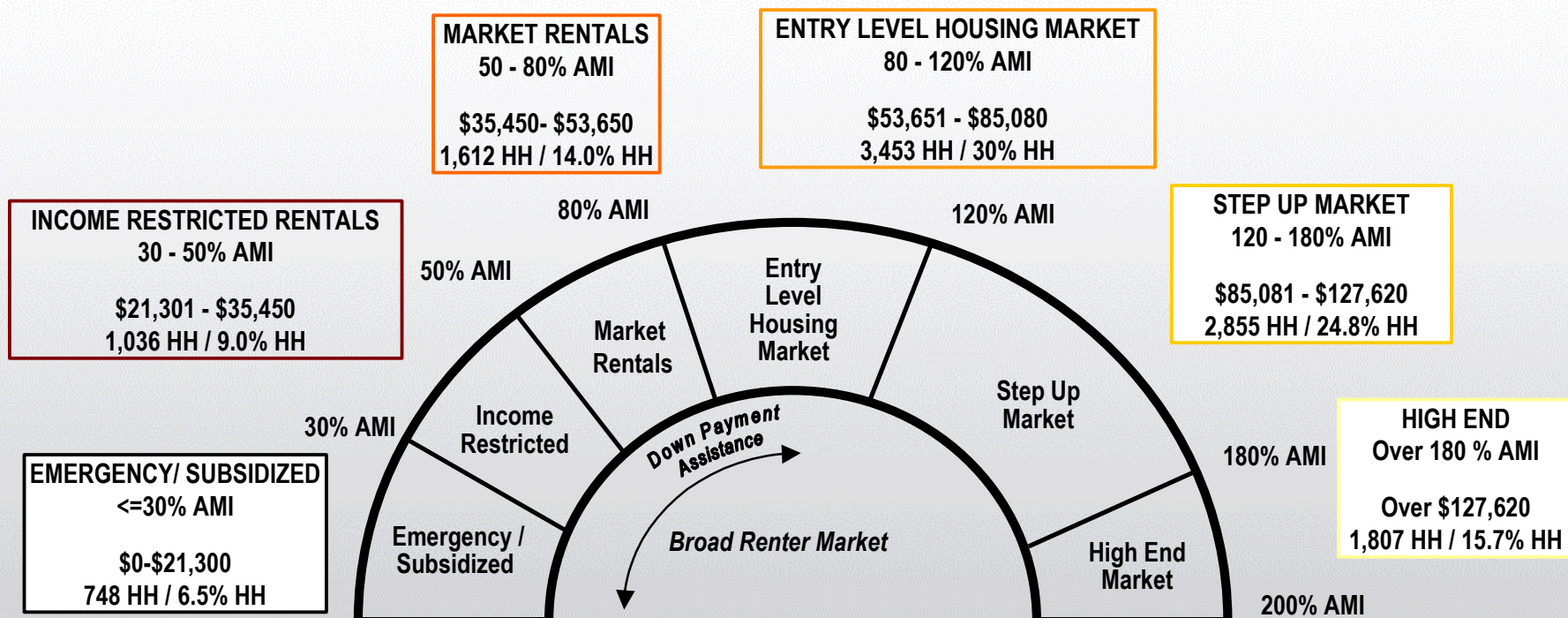
Source: Department of Housing and Urban Development; RRC Associates, Inc.

# Area Median Income (AMI) Compared





# Summit County Housing Continuum, 2007



The Housing Continuum depicts what may be ideal for most communities – the availability of housing that is affordable to all households and options for changing life circumstances.



# Housing Affordability

## Median Price of Homes vs. Median Family Income: 2000 thru 2007

Year of Sale	Median Price (sales)	Median Family Income* (HUD - Summit County)	Median price as a % of median income
2000	\$268,800	\$64,600	416%
2007	\$365,000	\$78,800	463%
<b>% increase (2000 to 2007)</b>	<b>64.3%</b>	<b>22.0%</b>	-

Source: Summit County Assessor records; Department of Housing and Urban Development; RRC Associates, Inc.

\*Median Income reflects the 100% area median income (AMI) for a 4-person family household in Summit County, or what is commonly referred to as the median family income for an area.

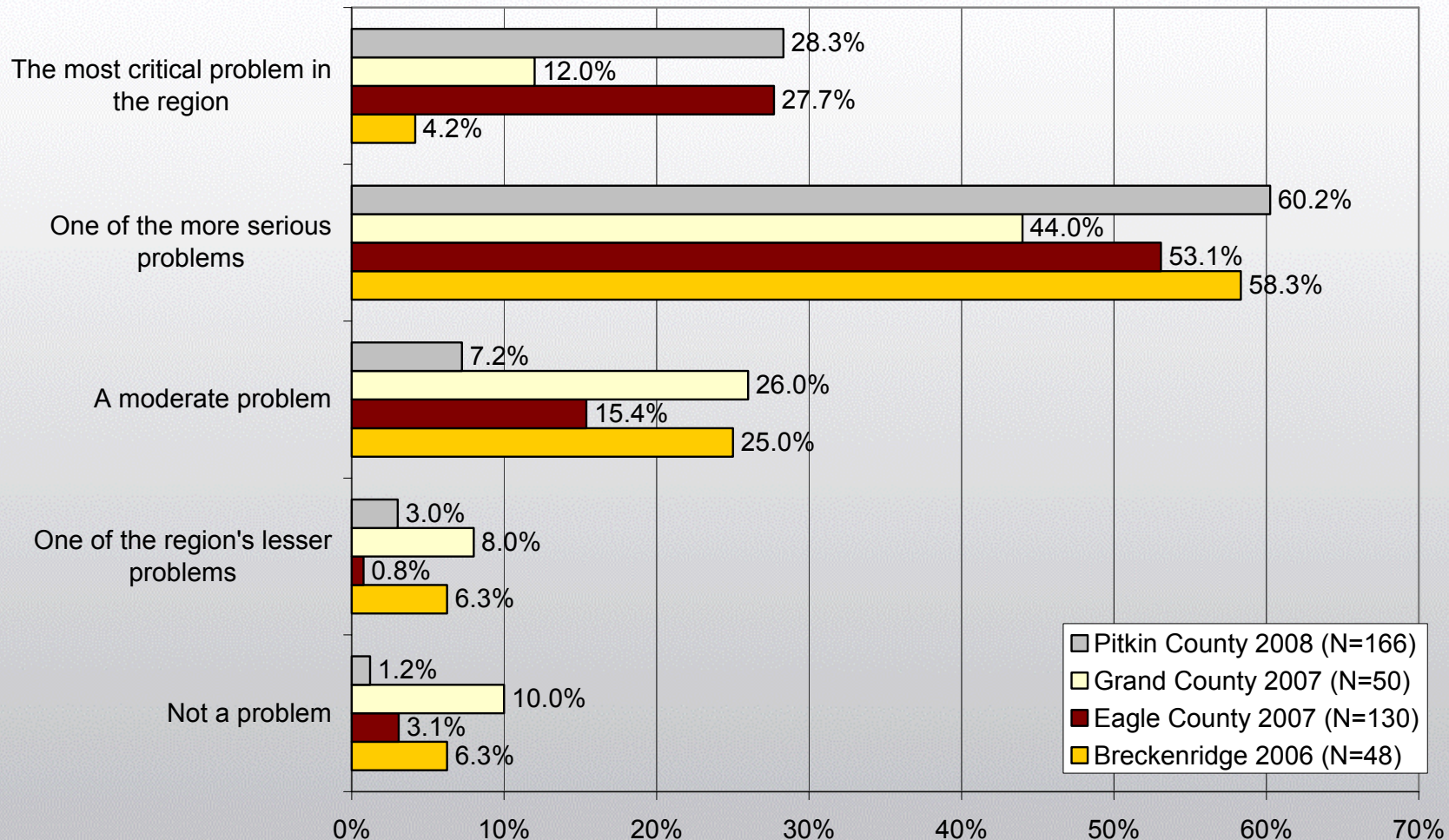


# Foreclosure Filings

	2007 (1st and 2nd Qtr)	2008 (1st and 2nd Qtr)	% Change 2007 to 2008	Occupied Units/ foreclosure filing
Adams	3,190	3,317	4.0%	44
Weld	1,297	1,594	22.9%	52
Arapahoe	3,047	3,529	15.8%	60
Denver	4,091	3,847	-6.0%	65
Douglas	830	1,235	48.8%	74
Pueblo	745	715	-4.0%	82
El Paso	1,708	2,531	48.2%	85
Jefferson	1,665	2,055	23.4%	101
Broomfield	103	152	47.6%	112
<b>Summit</b>	<b>54</b>	<b>97</b>	<b>79.6%</b>	<b>114</b>
Larimer	736	920	25.0%	117
Morgan	93	79	-15.1%	125
Otero	64	60	-6.3%	126
Boulder	425	575	35.3%	197
Eagle	59	79	33.9%	233
Mesa	191	227	18.8%	235
La Plata	40	67	67.5%	290
Garfield	37	57	54.1%	344

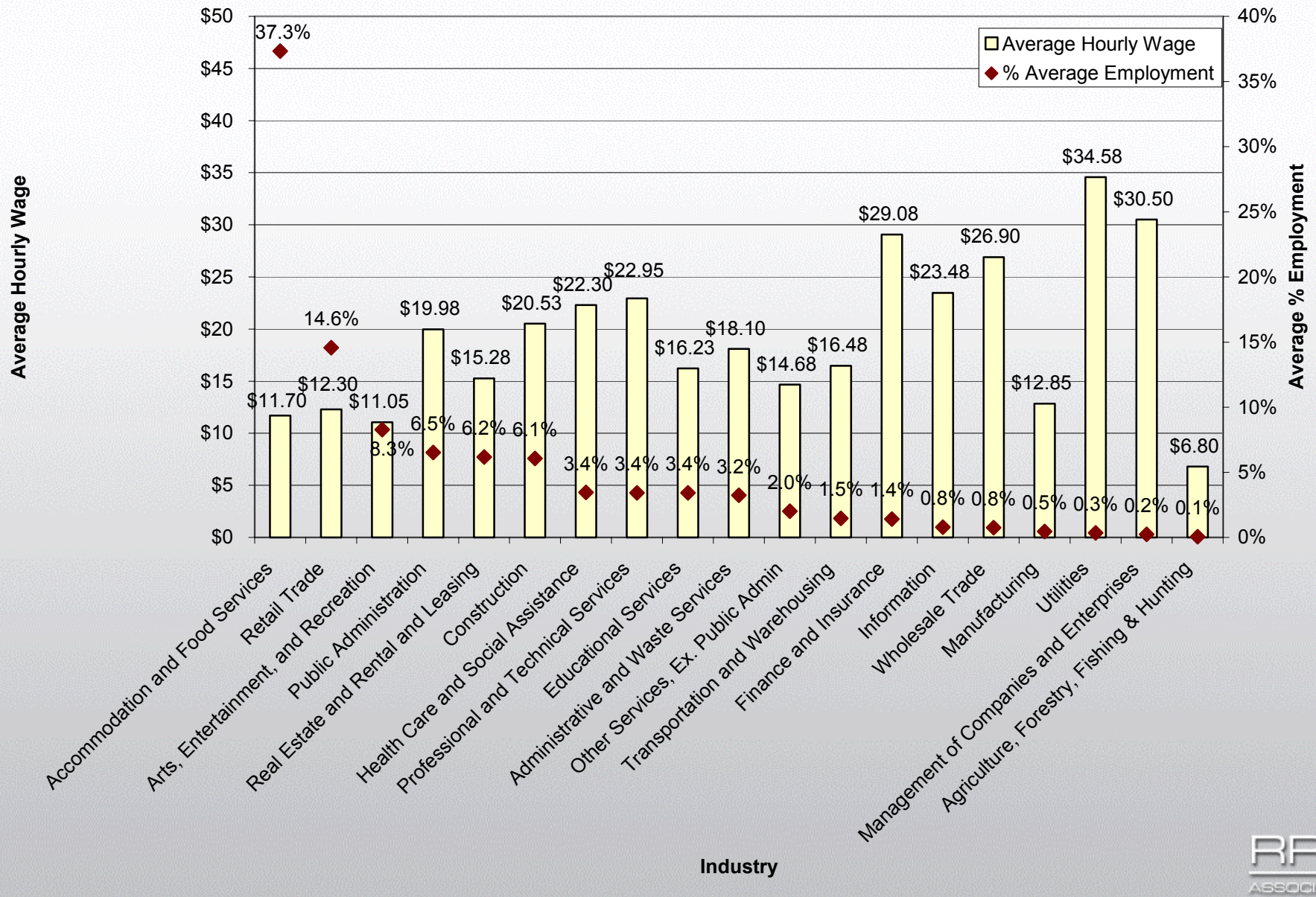


# Do you feel that the availability of affordable workforce housing is:



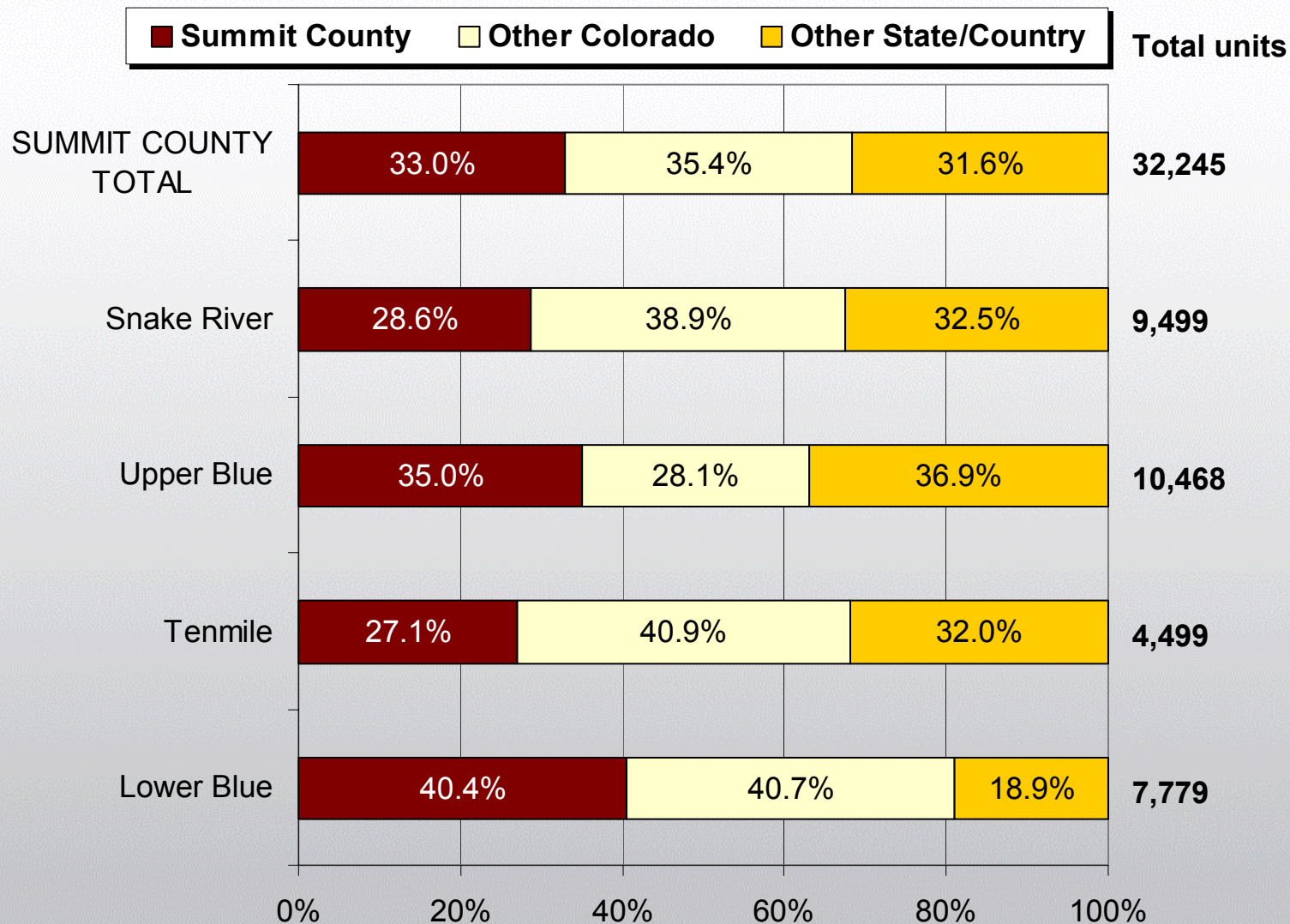


# Wages by Industry (1QTR 2008)



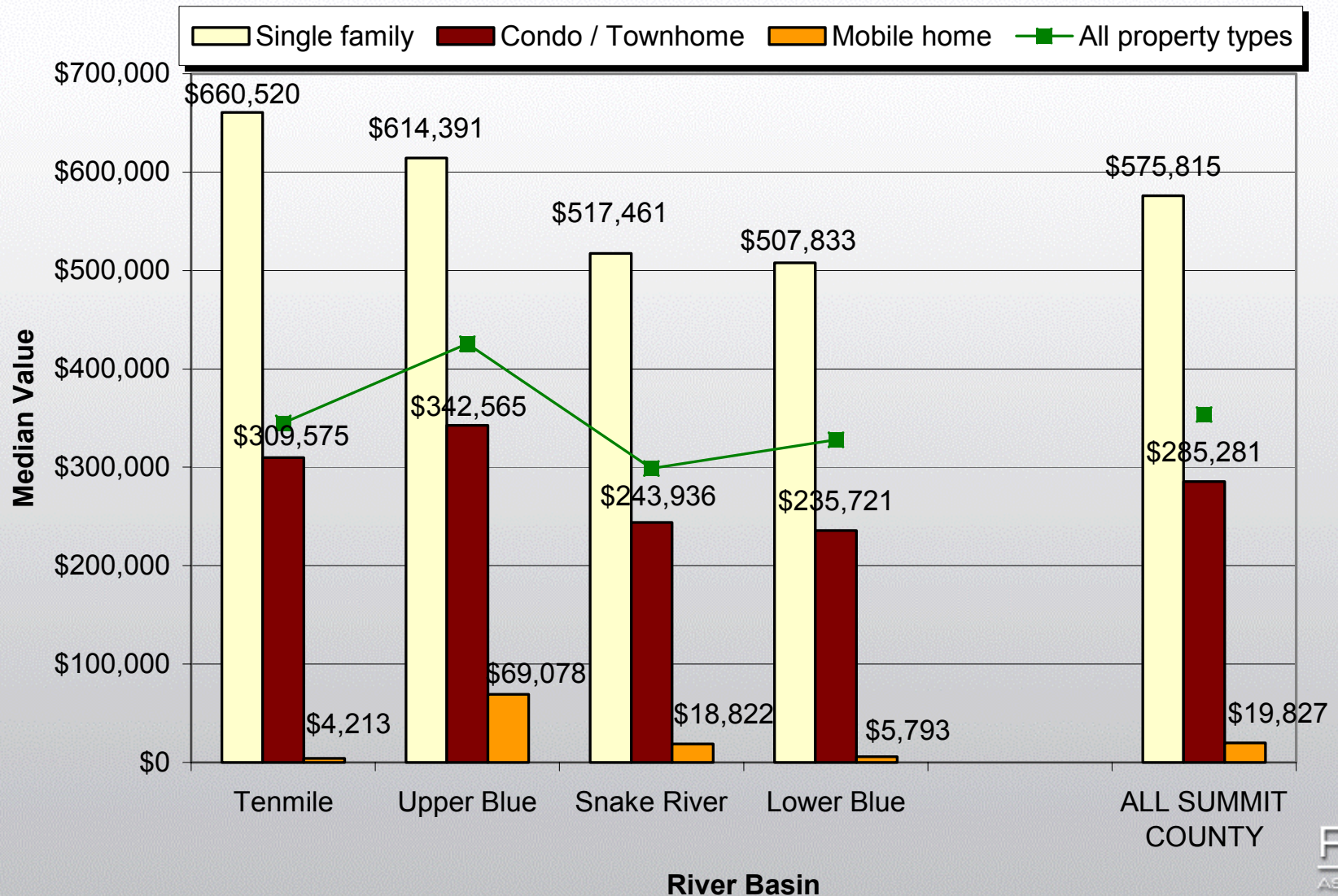


# Summit County Ownership of Units 2007



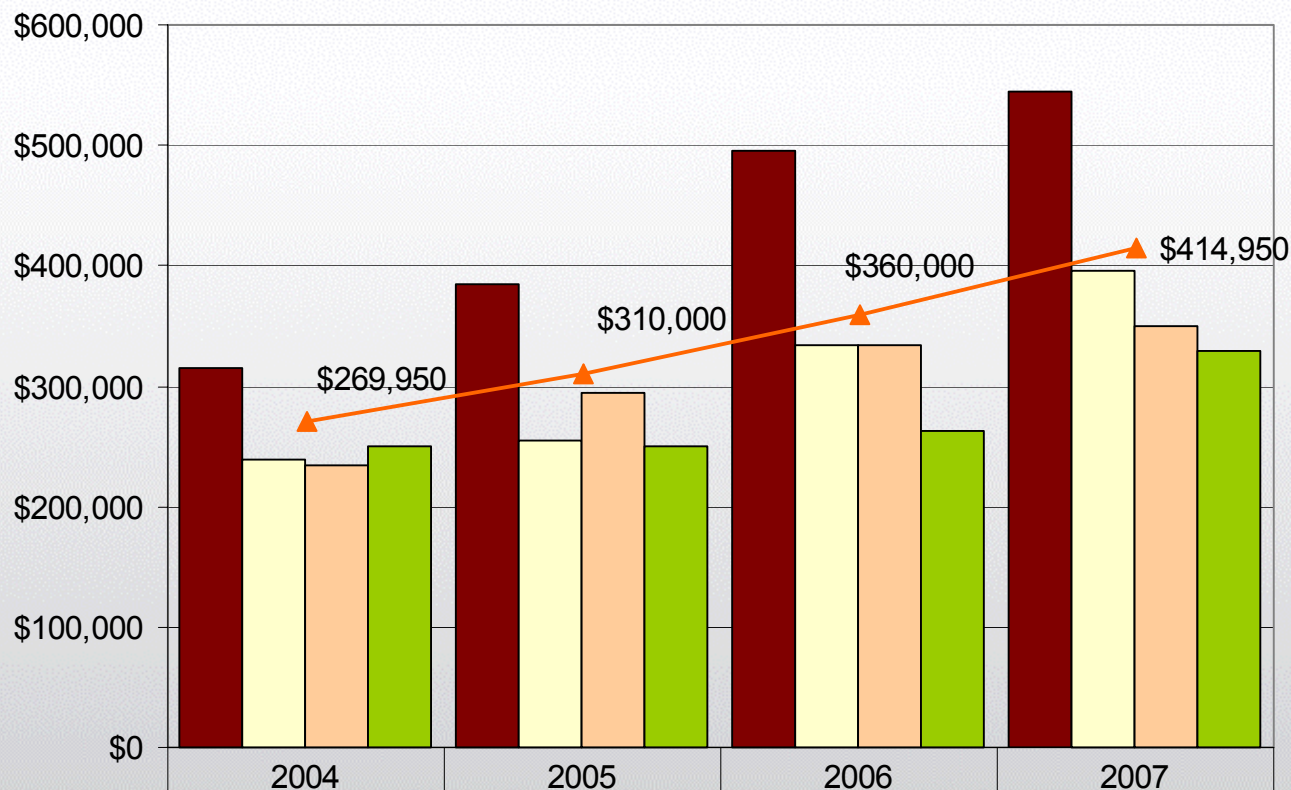


# Summit County Median Value of Owned Units by Basin





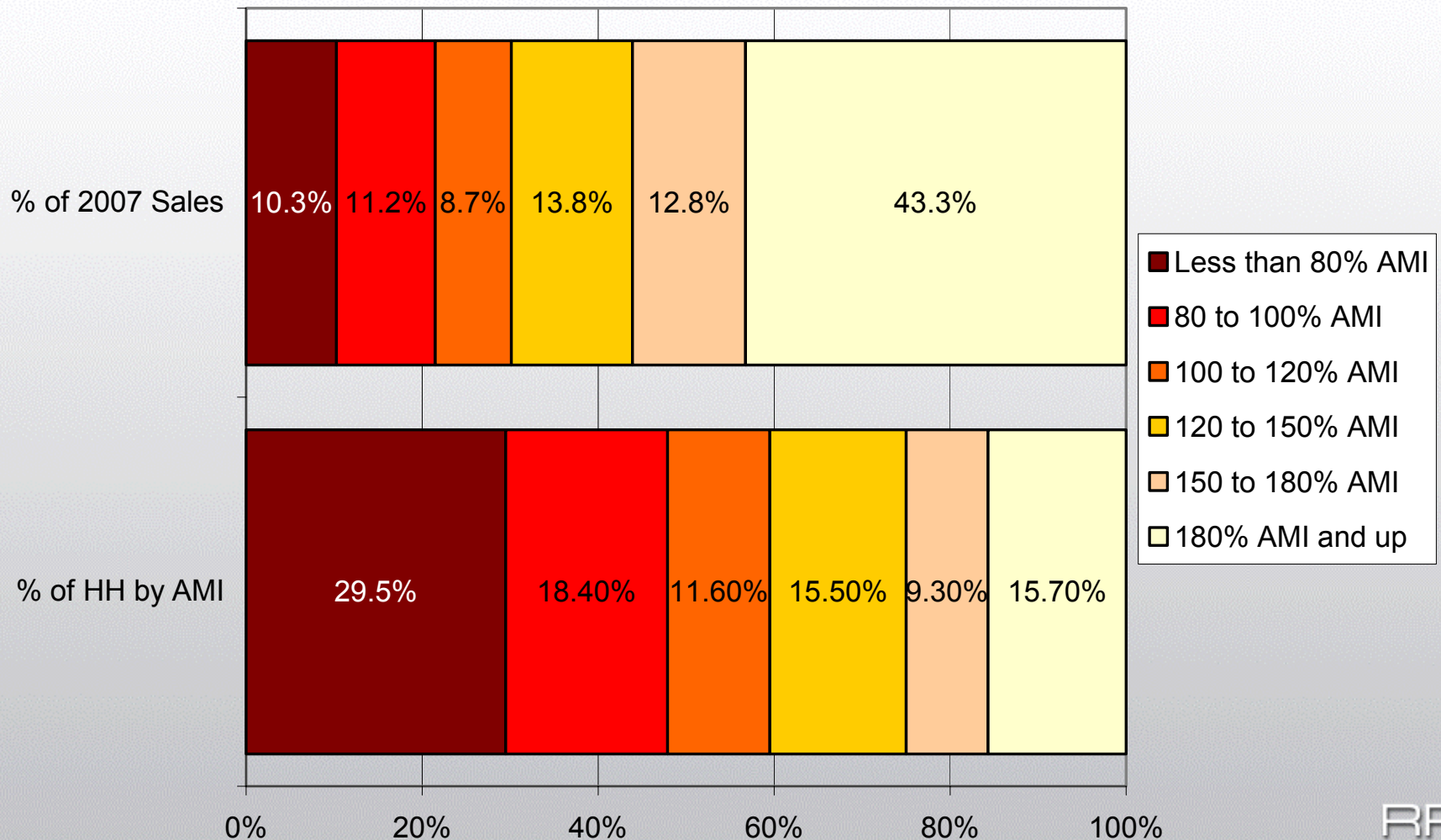
# Median Sales Price of all Sales 2004 to 2007 (YTD)



Upper Blue	\$315,000	\$385,000	\$495,000	\$545,000
Lower Blue	\$239,000	\$255,250	\$333,500	\$395,000
Tenmile	\$234,950	\$295,000	\$333,500	\$350,000
Snake River	\$250,000	\$250,000	\$263,000	\$329,000
ALL SUMMIT COUNTY	\$269,950	\$310,000	\$360,000	\$414,950

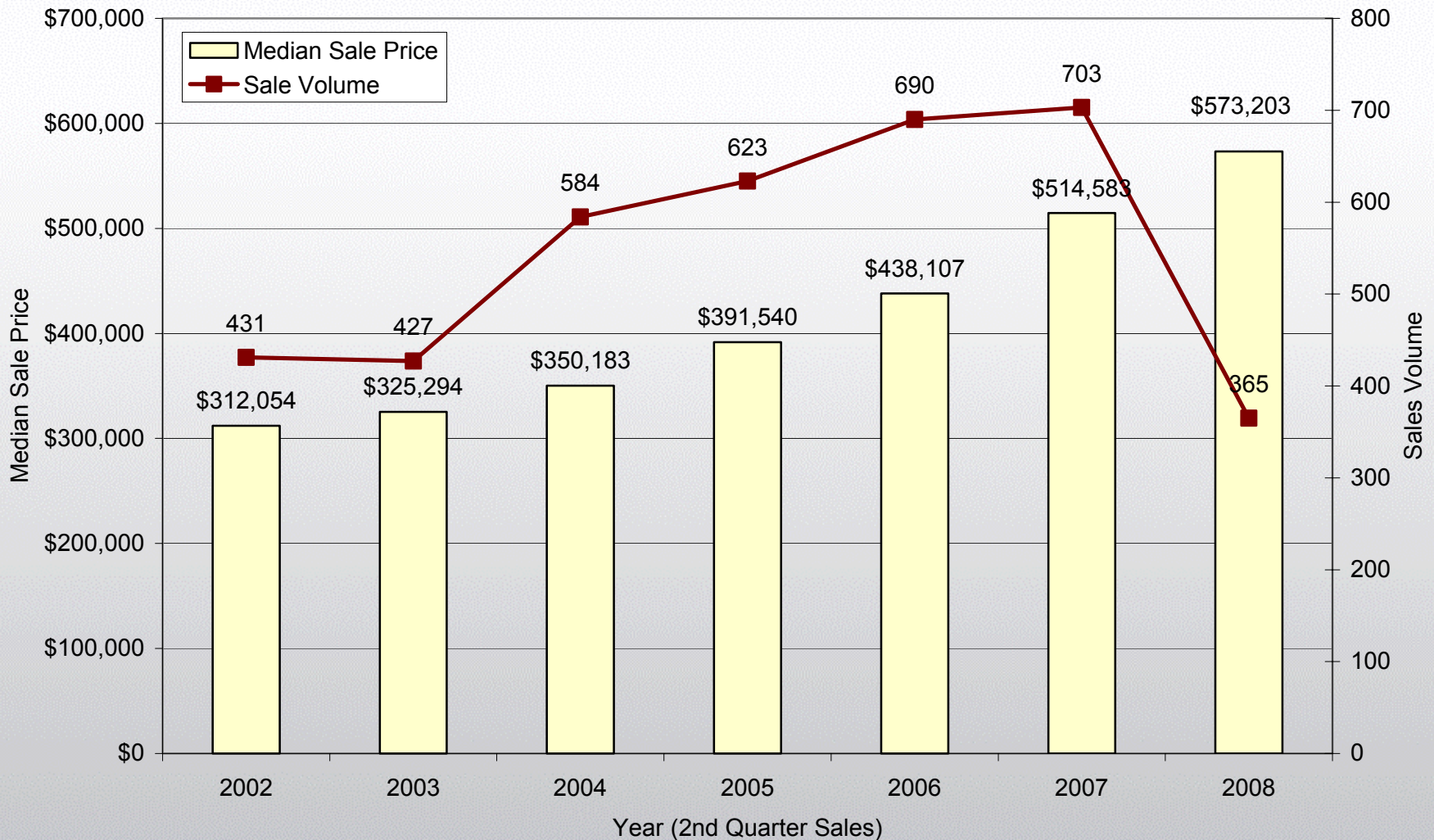


# 2007 Sales by AMI Affordability Levels





# Updated 2<sup>nd</sup> Quarter Sales





# Estimates of Demand

Source of Demand	Ownership	Rental
<i>Existing / Catch-Up Demand</i>		
Renters Wanting to Buy	1,970	
Homeowners Wanting New/Different Home	1,807	
In-commuters Wanting to Live in Summit County	691	
<i>Forecasted / Keep-Up Demand</i>		
New Jobs 2007 - 2012	888	1,418
Additional Senior Households 2007 - 2012	300	100
Total	5,656	1,518

Source: 2007 Household Survey; RRC/Rees Calculations



## Allocation of Demand by Basin

<b>Location</b>	<b>Total Demand for Housing</b>	<b>Percent of Total</b>
Lower Blue Basin	962	13.4%
SNAKE RIVER BASIN	1,753	24.4%
TENMILE BASIN	1,971	27.5%
UPPER BLUE BASIN	2,491	34.7%
Total	7,174	100%

Source: 2007 Household Survey, RRC/Rees Calculations



# Summit County Demand by AMI

AMI	Max Purchase Price	Percent	Number
<= 30%	N/A	4.1	295
31% - 50%	N/A	6.5	466
51% - 80%	\$173,417	10.8	776
81% - 100%	\$241,922	23.4	1,677
101% - 120%	\$298,271	14.9	1,071
121% - 150%	\$383,794	17.6	1,262
151% - 180%	\$467,270	11.6	833
181+%	N/A	11	792
Total	-	100%	7,174

Source: 2007 Household Survey, RRC/Rees Calculations



# MLS Listings

May 2007

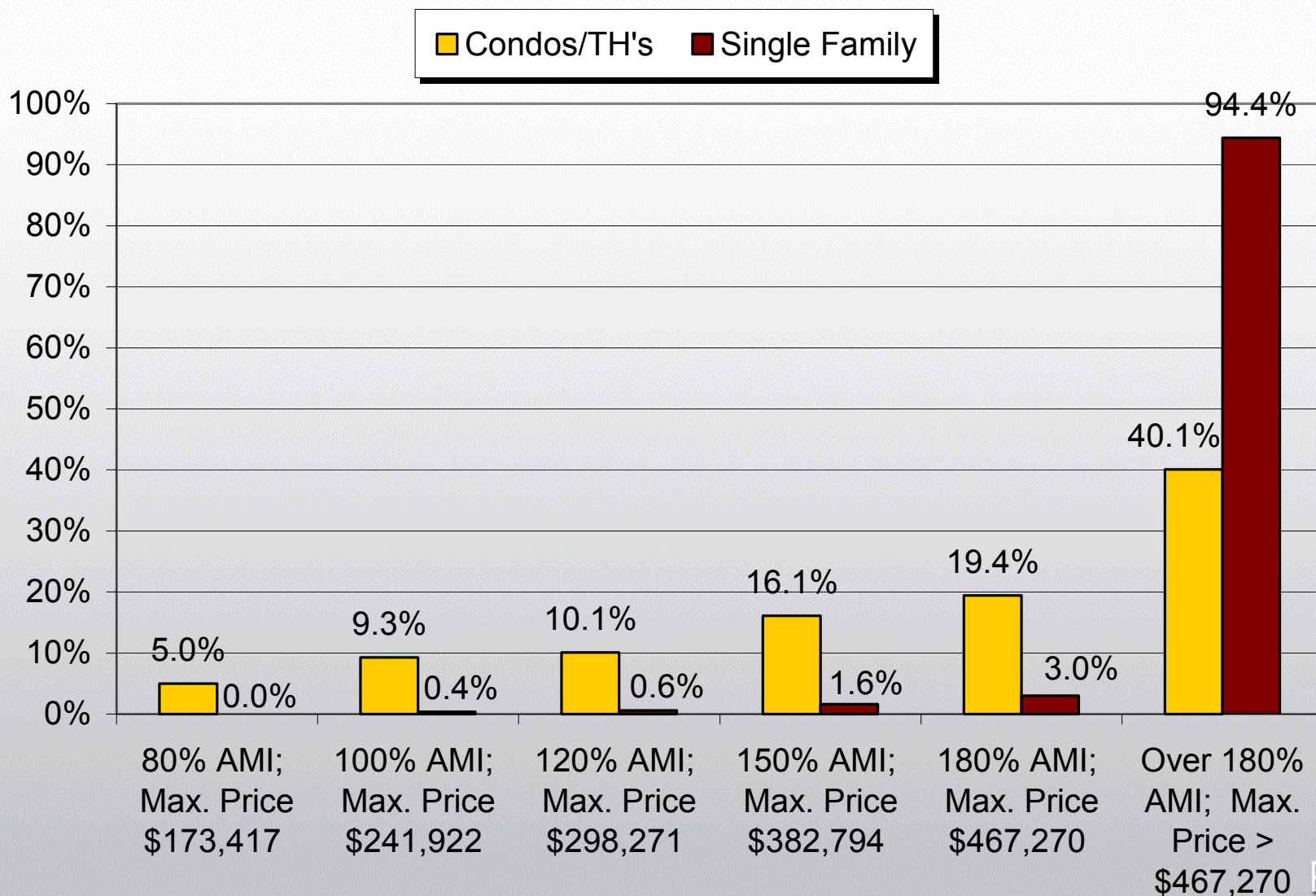
<b>AMI</b>	<b>Single Family</b>	<b>Condo/ Townhome</b>
# of Listings	497	484
% of Total	100%	100%
Average Price	\$1,293,559	\$491,648
Average Price/SF	\$375	\$423
Median Price	\$995,000	\$419,000
Median Price/SF	\$342	\$385

Source: 2007 Household Survey, RRC/Rees Calculations



# Affordability of Listings by AMI

## May 2007





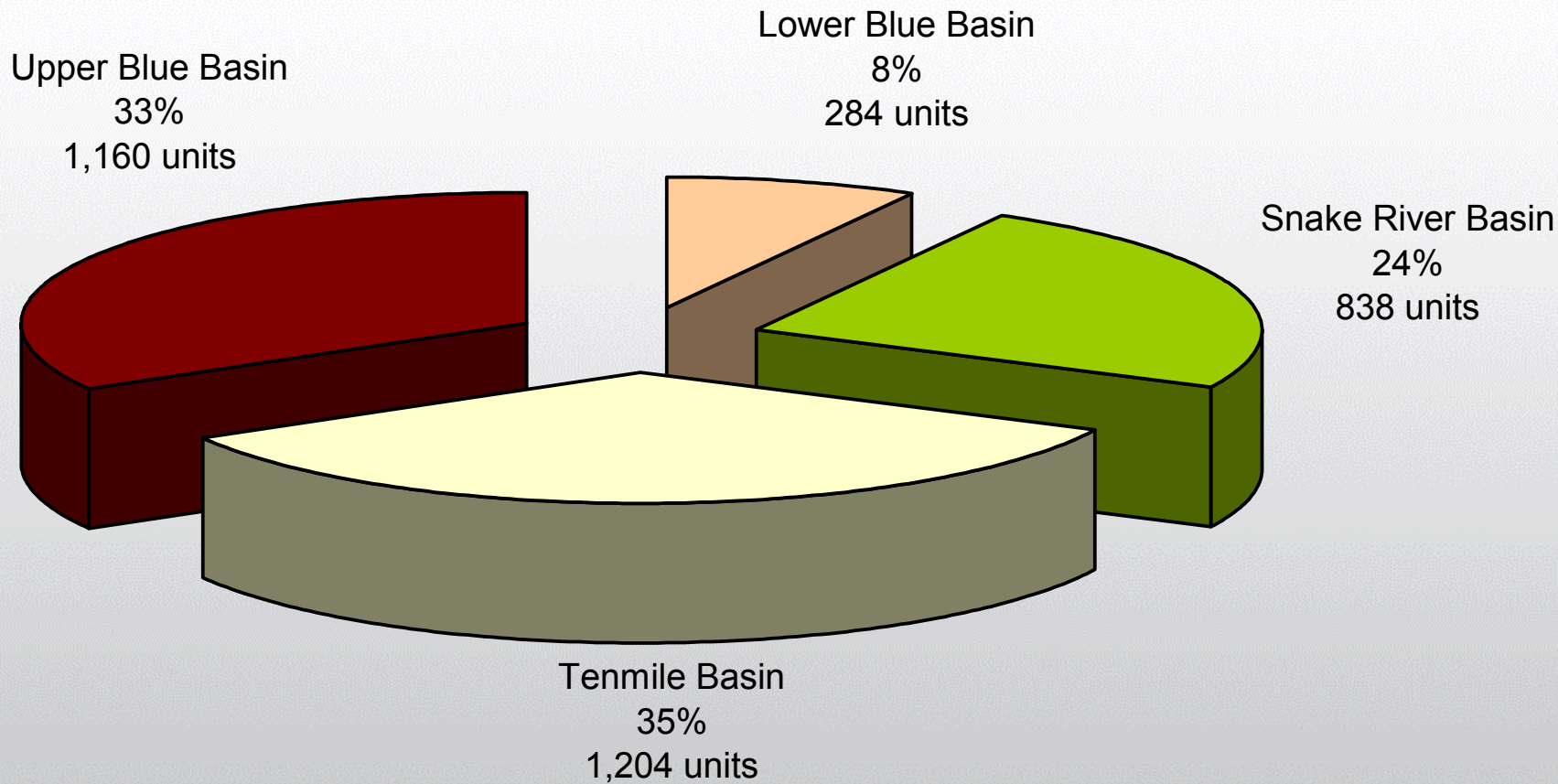
# Net Demand by AMI

<b>AMI</b>	<b>Max. Affordable Price</b>	<b>% MLS Listings</b>	<b>% Current Demand</b>	<b># MLS Listings</b>	<b># Units - Current Demand</b>	<b>Gap/ Net Demand</b>
<=30%	\$44,891	0	1.7%	0	77	(77)
31 - 50%	\$101,098	0	3.7%	0	148	(148)
51 - 80%	\$173,417	2.4%	8.2%	24	374	(350)
81 -100%	\$241,922	4.8%	26.5%	47	1157	(1,110)
101 -120%	\$298,271	5.3%	16.4%	52	772	(720)
121 -150%	\$382,794	8.8%	19.3%	86	863	(777)
151 -180%	\$467,270	11.1%	13.2%	109	614	(505)
Over Limits	N/A	67.6%	11.0%	663	461	202
<b>Total</b>		<b>100%</b>	<b>100.0%</b>	<b>981</b>	<b>4,468</b>	<b>(3,487)</b>

Source: Summit Association of Realtors' MLS; RRC/Rees Calculations



## Net Demand by Basin



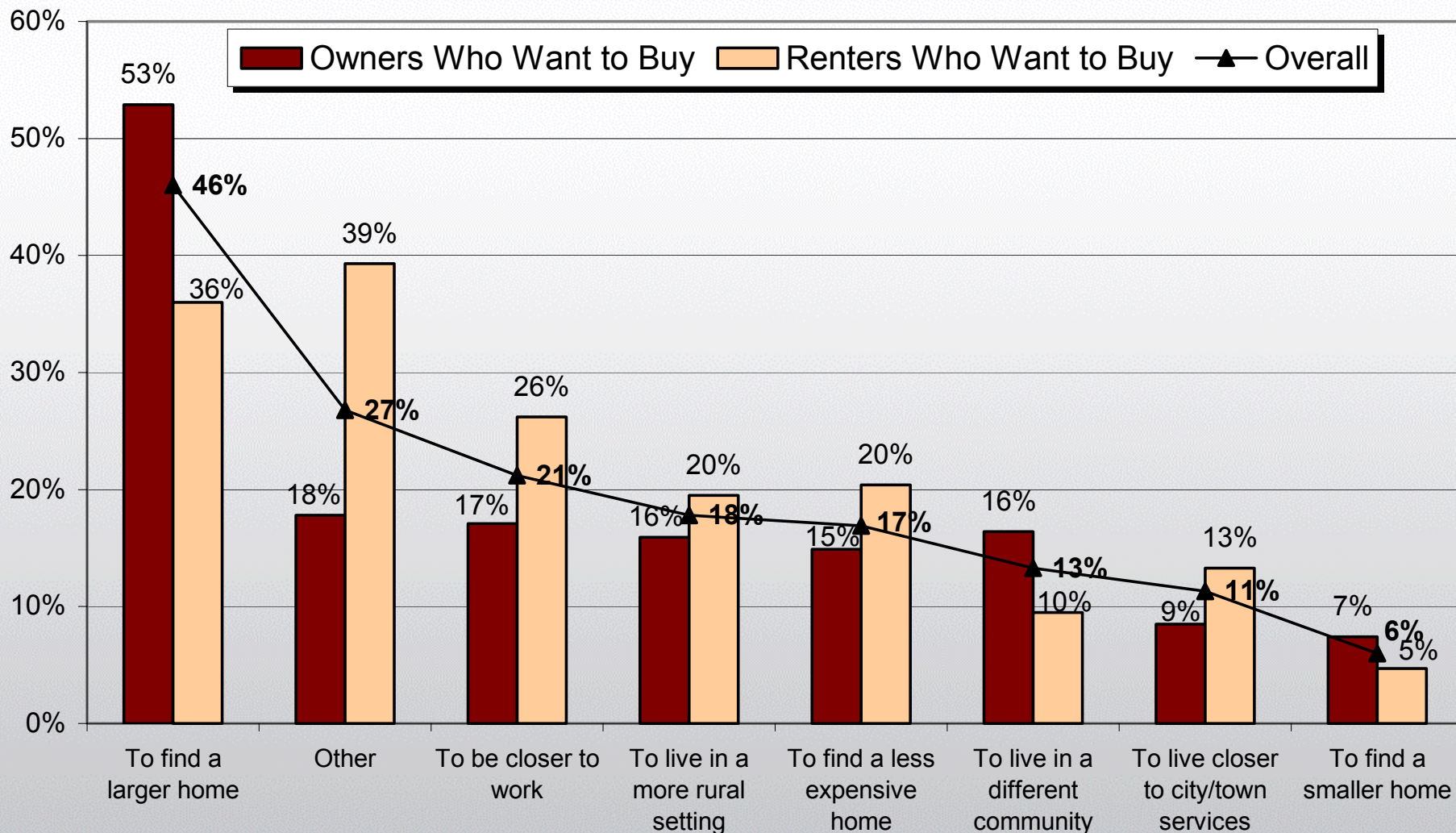


## Questions about Priorities

- Catch up or keep up?
- Length of residency and/or length of employment?
- Retiring employees and seniors who want to move into Summit County to live near family?
- Renters moving into ownership or owners moving up?
- Preservation of units now occupied for other year-round residents?
- Should growth be required to pay its own way?

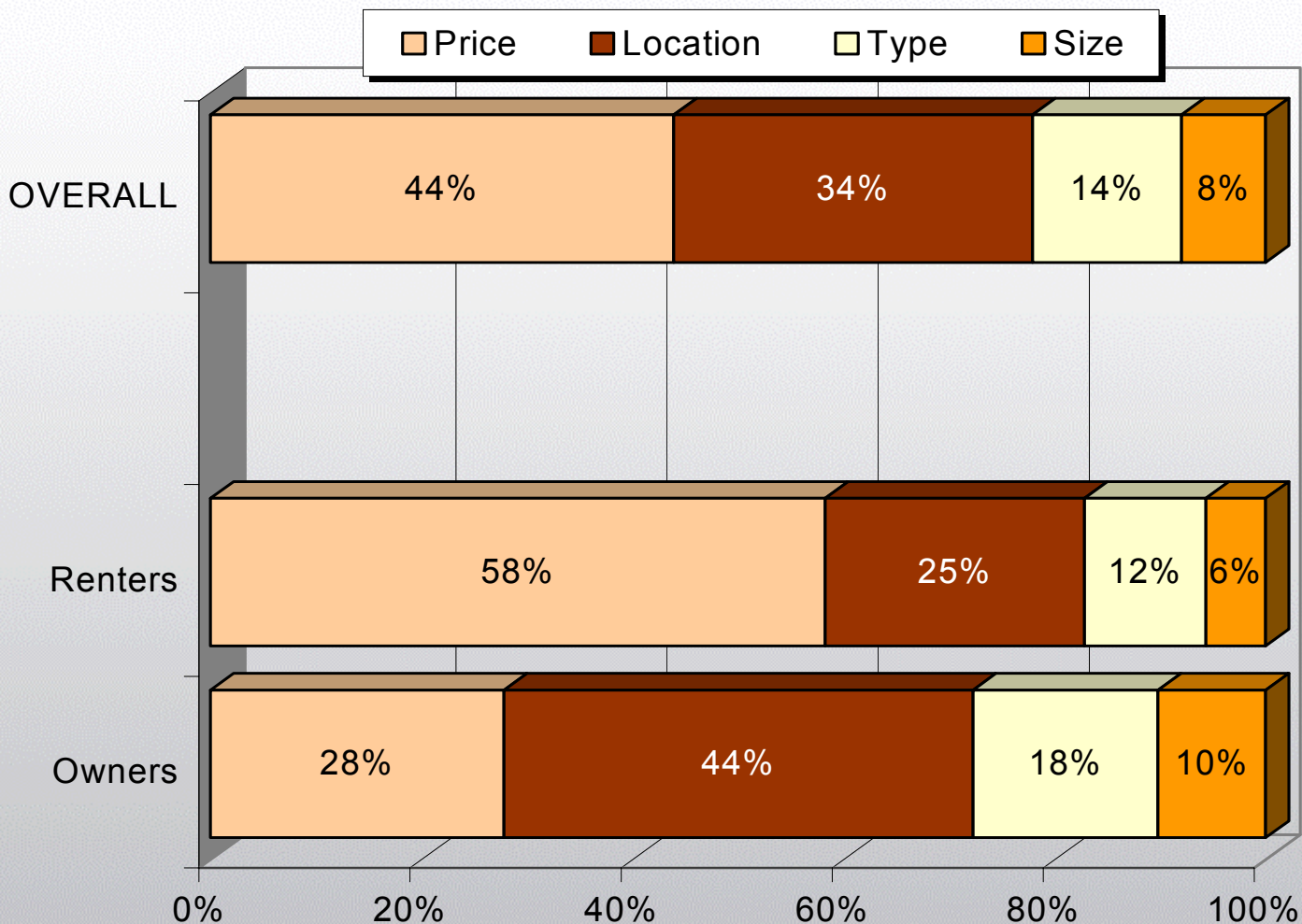


# Reasons to Buy a Home



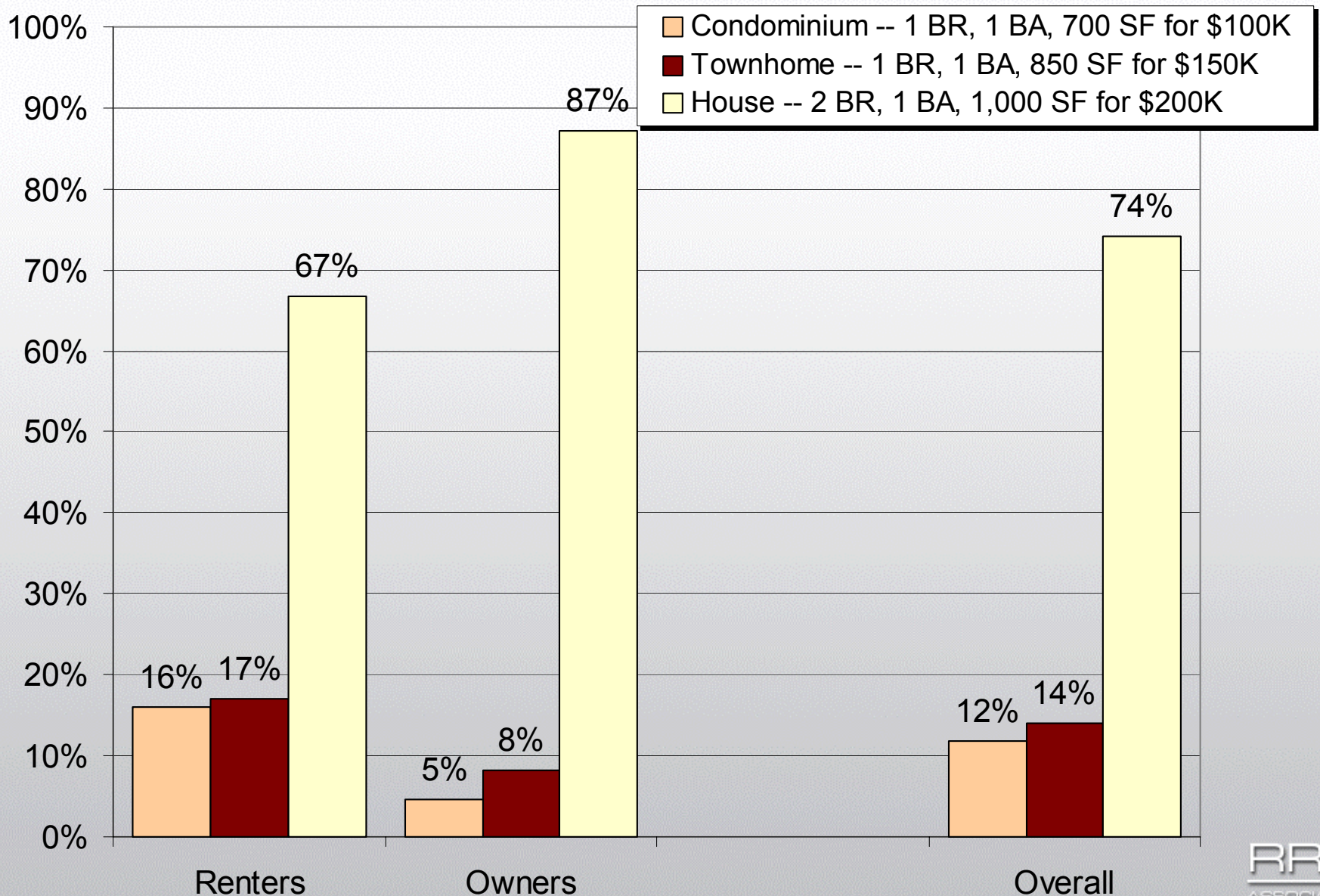


# Most Important Home Purchase Consideration





# Homeownership Preferences





# Affordability of Prices by AMI

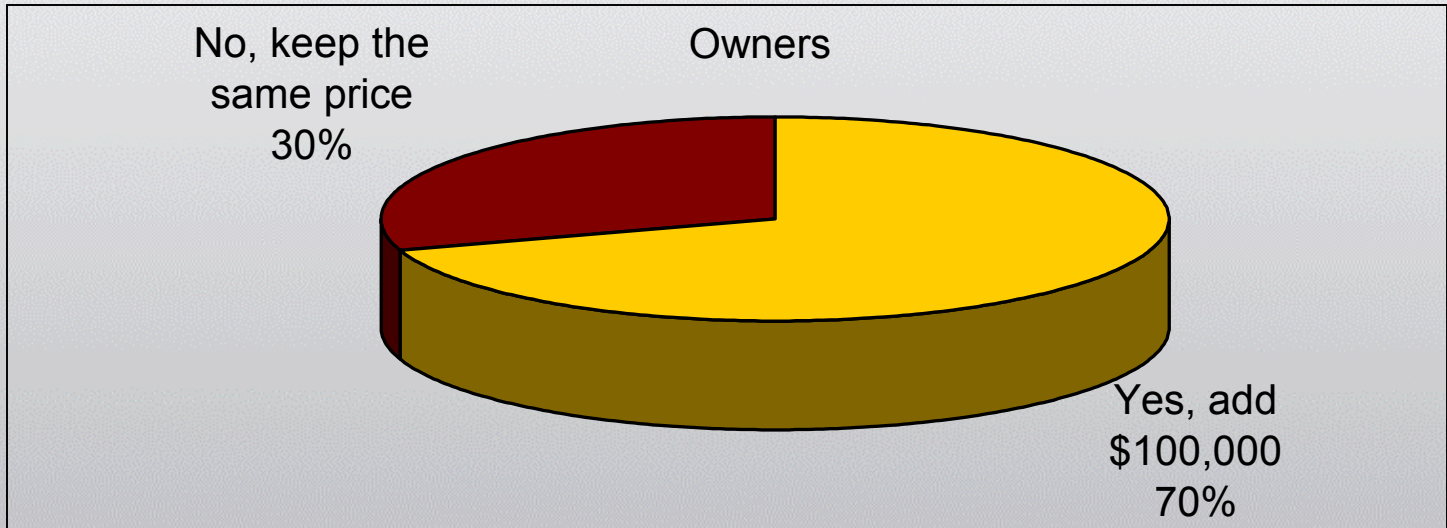
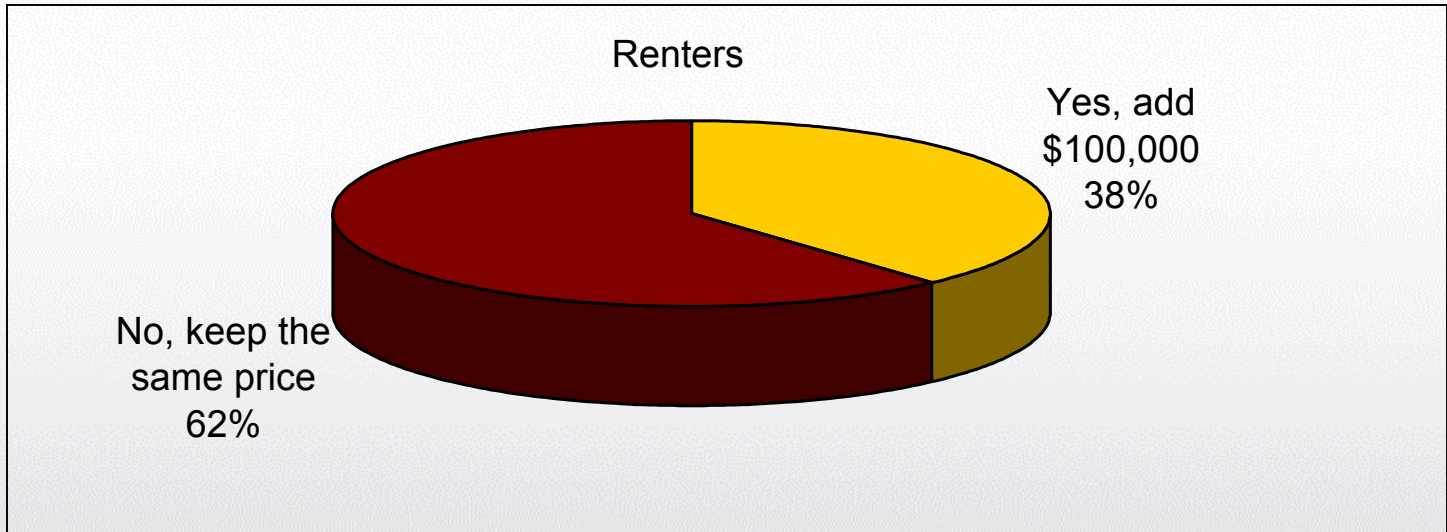
AMI of Designed Prices	AMI – Potential Homebuyers					
	<=80%	80.1 - 100%	100.1 - 120%	120.1 - 150%	150.1 - 180%	>180%
<= 80%	23.6	15.8	12.8	11.3	12.1	0.0
81 - 100%	59.0	48.7	42.6	35.5	27.3	26.7
101 - 120%	13.9	31.6	36.2	38.7	33.3	43.3
121 - 150%	2.8	3.9	8.5	12.9	27.3	26.7
151 - 180%	0.7	0.0	0.0	1.6	0.0	3.3
Total	100%	100%	100%	100%	100%	100%

Source: 2007 Household Survey

\*Shading denoted affordable price ranges

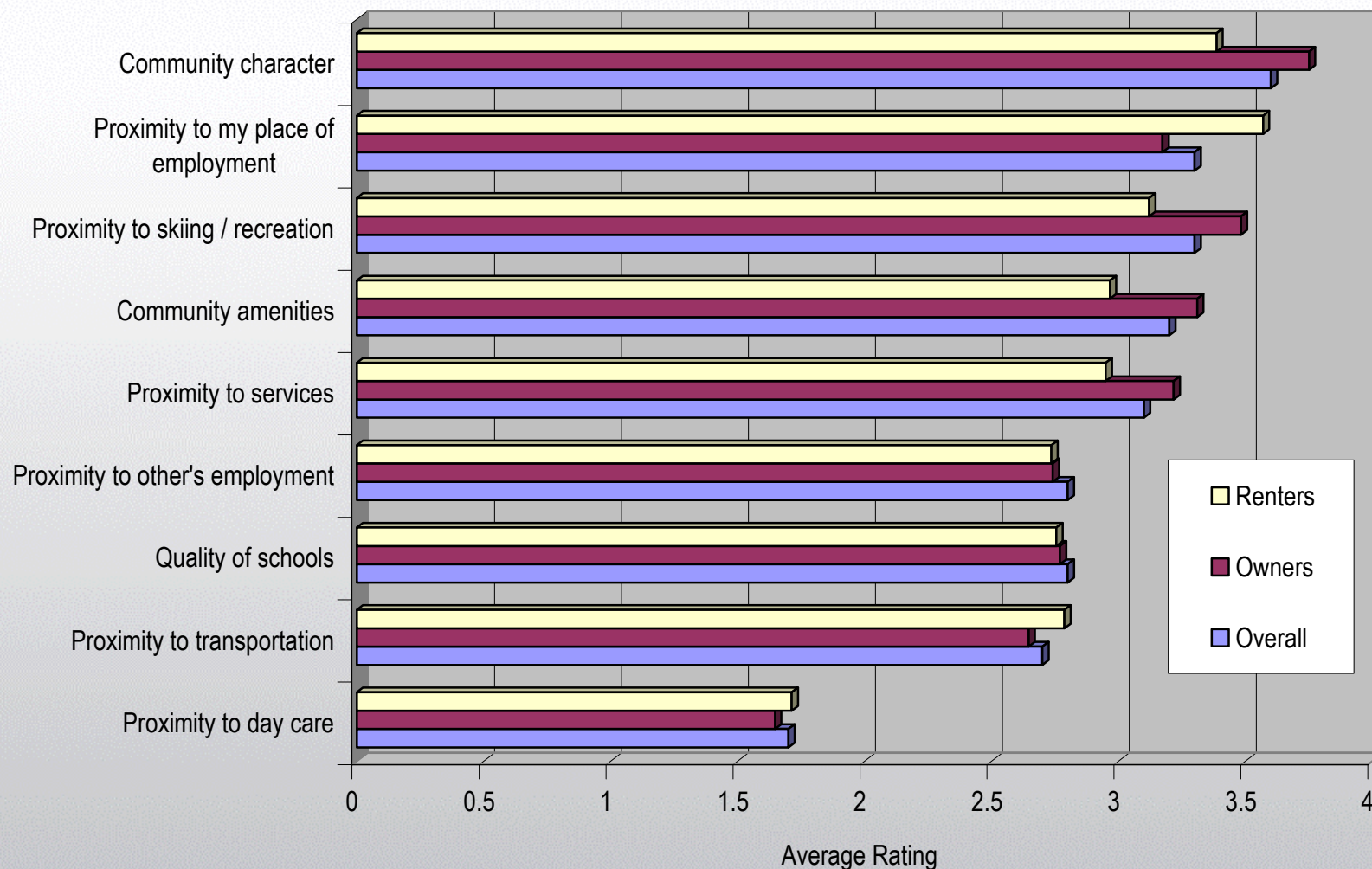


# Deed Restriction





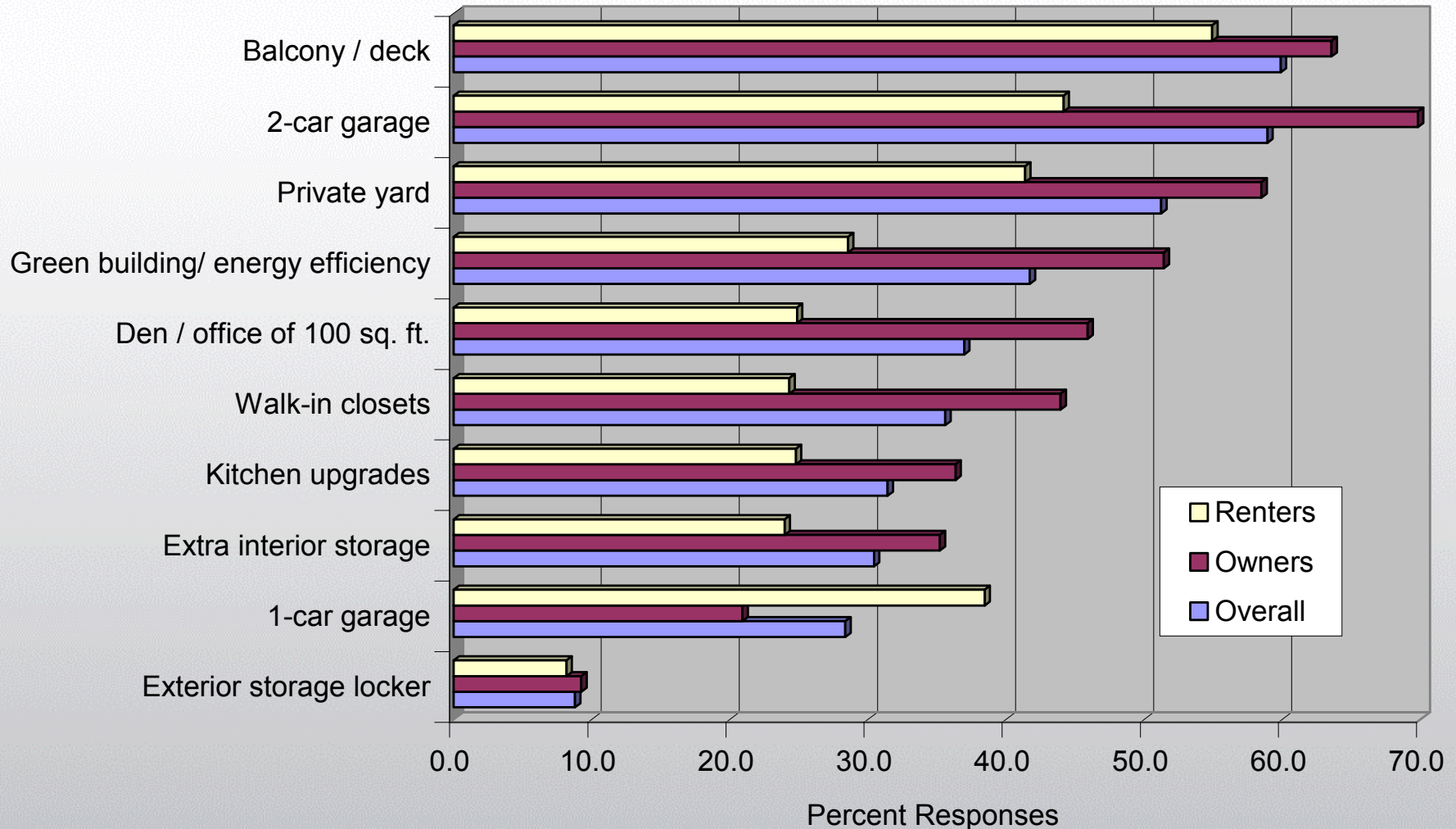
# Importance of Location Considerations



Source: 2007 Household Survey



# Amenities Desired by Potential Homebuyers



Source: 2007 Household Survey



# EXAMPLE AFFORDABLE HOUSING DEVELOPMENTS: BOULDER

## Medium Density

Duplex, 4-Plex Townhomes

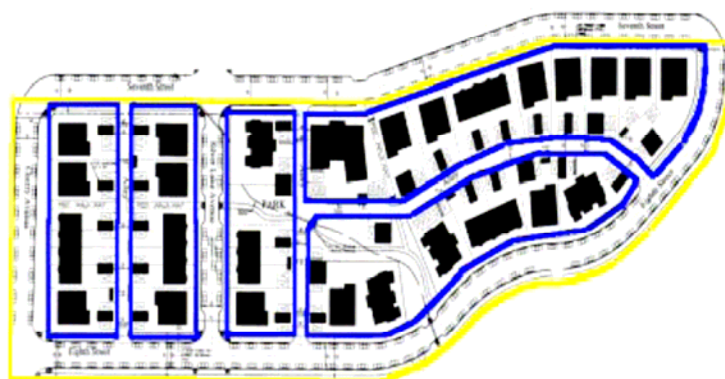
### R-10: Foothills Community



11 DU/Acre (gross)



18.3 DU/Acre (net)



#### Site Information

- Existing Zoning: MR-D
- Number of Dwellings: 75
- Site Acreage: Gross: 6.8, Net: 4.1
- Gross Density: 11 Dwelling Units/Acre
- Net Density: 18.3 Dwelling Units/Acre
- Open Space Provided: 5,564 SF/Unit
- Year Built: 2001-2002

#### Legend

- Gross
- Net

# Affordable Housing Examples Foothills



# Affordable Housing Examples Foothills





# Affordable Housing Examples Foothills





# Affordable Housing Examples

## Holiday Neighborhood





# Affordable Housing Examples Holiday Neighborhood





# Affordable Housing Examples

## Poplar





# Affordable Housing Examples

## Poplar



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# Further Comments or Questions